

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2002

	Month Ended 8/31/2002				Month Ended 7/31/2002				Current Fiscal YTD	Prior Year FY02	FY01	FY00	FY99	FY98	3 Years Ended 6/30/2002 Net	5 Years Ended 6/30/2002 Net
	Allocation				Allocation											
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net						
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
AllianceBernstein	270,971	1.8%	2.3%	2.47%	264,606	1.7%	2.3%	-7.10%	-4.82%	-28.65%	-30.23%	15.71%	29.34%	N/A	-16.80%	N/A
Russell 1000 Growth				0.30%				-5.50%	-5.22%	-26.49%	-36.18%	25.67%	27.28%	N/A	-16.15%	N/A
<i>Structured Value</i>																
LSV	301,016	2.0%	2.3%	0.35%	300,329	1.9%	2.3%	-8.45%	-8.14%	2.41%	28.80%	-11.24%	4.95%	N/A	5.40%	N/A
Russell 1000 Value				0.75%				-9.30%	-8.62%	-8.96%	10.33%	-8.92%	16.38%	N/A	-2.92%	N/A
<i>S&P 500 Index</i>																
State Street	1,278,125	8.6%	10.5%	0.66%	1,269,728	8.2%	10.5%	-7.77%	-7.16%	-18.03%	-15.00%	7.20%	22.68%	30.11%	-9.27%	3.58%
S&P 500				0.66%				-7.80%	-7.19%	-17.99%	-14.83%	7.25%	22.75%	30.23%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	1,850,112	12.5%	15.0%	0.87%	1,834,662	11.9%	15.0%	-7.79%	-6.99%	-16.89%	-9.87%	2.95%	18.35%	31.65%	-8.30%	3.74%
S&P 500				0.66%				-7.80%	-7.19%	-17.99%	-14.83%	7.25%	22.75%	30.23%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	576,810	3.9%	5.0%	0.75%	572,885	3.7%	5.0%	-13.68%	-13.03%	-11.77%	N/A	N/A	N/A	N/A	N/A	N/A
Russell 2000 + 200bp				-0.09%				-14.93%	-15.01%	-7.96%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	576,810	3.9%	5.0%	0.75%	572,885	3.7%	5.0%	-13.68%	-13.03%	-11.69%	1.69%	18.95%	1.47%	13.96%	2.22%	4.32%
Russell 2000				-0.26%				-15.10%	-15.32%	-8.59%	0.57%	14.32%	1.50%	16.51%	1.67%	4.44%
CONVERTIBLES																
TCW	1,485,738	10.0%	10.0%	1.76%	1,229,750	8.0%	10.0%	-7.22%	-5.58%	-20.37%	-15.57%	39.07%	17.51%	19.38%	-2.22%	N/A
First Boston Convertible Index				0.54%				-6.25%	-5.74%	-12.44%	-11.87%	30.02%	11.69%	13.97%	0.11%	N/A
INTERNATIONAL EQUITY																
<i>Large Cap - Active</i>																
Capital Guardian	1,442,734	9.7%	10.0%	-1.43%	1,188,999	7.7%	10.0%	-10.19%	-11.47%	-12.10%	-24.42%	37.53%	22.18%	3.18%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-0.24%				-10.04%	-10.26%	-14.62%	-20.41%	17.15%	7.62%	6.10%	-7.32%	-1.89%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	3,852,668	26.0%	25.0%	2.62%	3,430,631	22.2%	25.0%	-0.21%	2.41%	8.36%	12.62%	4.74%	2.50%	11.12%	8.53%	7.80%
Lehman Aggregate				1.69%				1.21%	2.92%	8.62%	11.22%	4.57%	3.15%	10.54%	8.10%	7.57%
<i>Index</i>																
Bank of ND	2,066,531	14.0%	15.0%	2.30%	1,844,132	11.9%	15.0%	1.32%	3.64%	8.38%	11.02%	4.08%	2.52%	11.40%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.88%	5.74%	5.17%	5.56%	5.55%	5.48%
Total Index	2,066,531	14.0%	15.0%	2.30%	1,844,132	11.9%	15.0%	1.32%	3.64%	8.14%	10.76%	4.19%	2.57%	11.10%	7.66%	7.30%
Lehman Gov/Corp				2.24%				1.20%	3.47%	8.24%	11.13%	4.31%	2.69%	11.28%	7.86%	7.47%
<i>BBB Average Quality</i>																
Strong	1,519,736	10.3%	10.0%	3.38%	1,341,736	8.7%	10.0%	-1.70%	1.62%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lehman US Credit BAA				3.56%				-2.23%	1.25%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	7,438,935	50.3%	50.0%	2.69%	6,616,498	42.8%	50.0%	-0.08%	2.60%	7.55%	11.77%	4.45%	2.53%	11.10%	7.88%	7.42%
Lehman Gov/Corp				2.24%				1.20%	3.47%	8.24%	11.13%	4.31%	2.69%	11.28%	7.86%	7.47%
CASH EQUIVALENTS																
Bank of ND	2,003,670	13.5%	10.0%	0.16%	4,024,118	26.0%	10.0%	0.16%	0.32%	2.41%	5.85%	6.05%	4.96%	5.70%	4.76%	4.99%
90 Day T-Bill				0.14%				0.15%	0.29%	2.63%	5.90%	5.54%	4.87%	5.31%	4.68%	4.84%
TOTAL FIRE & TORNADO FUND	14,797,998	100.00%	100.00%	1.35%	15,466,913	100.00%	100.00%	-3.48%	-2.17%	-2.37%	0.38%	11.65%	8.46%	14.39%	3.05%	6.30%
POLICY TARGET BENCHMARK				1.25%				-2.94%	-1.73%	-1.42%	0.73%	9.23%	7.25%	13.54%	2.75%	5.72%

NOTE: Monthly returns and market values are preliminary and subject to change.